

EXHIBIT 12

Internal Revenue Service
District Director

Department of the Treasury

Person to Contact: Emerald Liburd

Telephone Number: (808) 541-1140
Ext. 408

Refer Reply To:

Internal Revenue Service
300 Ala Moana Blvd #50089
Honolulu HI 96850
Attn.: MS H1606 EL

Eriko Dmitrosky
1221 Victoria St. #1904
Honolulu HI 96814

Date: September 23, 1998

Dear Mrs. Eriko Dmitrosky:

Thank you for responding to the request, and coming on Friday afternoon to discuss the funds that you had given to Mr. Yip. We also discussed that the notes would be written in an affidavit form and that it would be mailed to your France or Honolulu address, and that it would be signed and returned.

Here is the affidavit. I am mailing it to the Honolulu and the France address. Please note that you can cross out the areas of the affidavit that you think not correct, and correct it on the original copy.

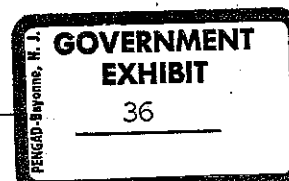
However, if you prefer to redo the affidavit, I have enclosed some unused ones that you may use.

Please mail the signed forms back to the above address.

Thank you for your cooperation.

Sincerely,

Emerald Liburd
Revenue Agent



000000269

Affidavit

J-885
EL
9-23-98United States of America Western
Judicial, District of Honolulu ss

1 I, Erika Amtrakay, SSN 220-98-7023, state that:
2 I reside at 1221 Victoria St. Apt #1904, Honolulu HI 96814.
3 I lent no funds to Andy Yip in 1995. In 1996, I wired
4 \$350,000 from my bank at Salomon Smith Barney, where my stock
5 Broker is Lally George, to Jean-Jacques Gattegno's account
6 in France. I then left to go to France. However, before
7 I left for France, Mr. Yip requested that I loan
8 him \$400,000. I did not loan him any funds until
9 when I got to France.
10 When I got to France, Jean-Jacques Gattegno was coming
11 to the United States. I gave him \$9000 in cash to give
12 Mr. Yip. I had 5 or 6 other friends, whose name I do
13 not want to disclose, who came to the U.S. that year.
14 I also gave them \$9000 in cash to give to Mr. Yip.
15 All these funds I gave to Mr. Yip were about 9K U.S.
16 although the funds were given in French francs, to Mr. Yip.
17
18 These friends all came to the United States about
19 two times each during the year. When I came
20 back to the United States, I brought back
21 \$9000 which I gave to Mr. Yip.
22
23 I left about \$100,000 in Jean-Jacques
24 Gattegno's account in France, when
25 I returned to the United States.
26 I left these funds in Mr. Gattegno's
27 account because I go back and forth

1 between France and Honolulu, so I
2 would need that money when I
3 returned to France.
4

5 I have received no payments from
6 Mr. Lip. I made no formal written
7 agreement with him for he is my
8 friend, and he is a trust worthy
9 person.
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I have read the foregoing statement consisting of _____ pages, each of which I have signed. I fully understand this statement and it is true, accurate and complete to the best of my knowledge and belief. I made the corrections shown and placed my initials opposite each.

I made this statement freely and voluntarily without any threats or rewards, or promises of reward having been made to me in return for it.

Subscribed and sworn to before me this 18th
day of September, 19 98,
at 300 Ala Moana Blvd
Honolulu Hi 96858

(Signature of affiant)

(Signature)

(Title)

Internal Revenue Service

(Signature of witness, if any)